

Remarks Following a Video Teleconference With Iraq Provincial Reconstruction Team Leaders and Brigade Combat Commanders and an Exchange With Reporters

January 8, 2008

The President. Thank you very much. I had a series of good meetings today to discuss the situation in Iraq, including a video teleconference this morning with General Petraeus, Ambassador Crocker, and members of the national security team. I also spoke by video with Prime Minister Maliki to discuss the return of the Iraqi parliament that—it was clear from my discussions that there's great hope in Iraq, that the Iraqis are beginning to see political progress that is matching the dramatic security gains for the past year. There's still work to be done, but it was a very hopeful conversation.

Today I just had a good discussion with some of our bravest citizens, members of our Nation's Provincial Reconstruction Teams and their brigade commanders in Iraq, three of whom are with me today, along with the Secretary and Deputy Secretary. I thank you all for coming. And the others were by SVTS, by video from Baghdad. I first of all thanked them for the progress they've helped make possible during the past year and the important work that they're doing in the communities all across Iraq.

Provincial Reconstruction Teams are called PRTs, are a central part of the new strategy in Iraq that I announced a year ago. The strategy was built around three key elements: first was a surge of additional troops into Iraq, with a new mission to protect the Iraqi people from terrorists, insurgents, and illegal militias; second was a surge of operations that began in June once the troops were in place, with new offenses across the country to drive the terrorists and militias out of their strongholds; and third was a surge of Provincial Reconstruction Teams, was a civilian surge, which deployed across Iraq to ensure the military

progress was quickly followed up with real improvements in the daily lives of the Iraqi citizens.

Over the past year, we've doubled the number of PRTs in Iraq. There are now 24 of these teams serving in all 18 Iraqi Provinces. Many are embedded with military units and work closely with our troops to support their operations. Their mission is to help strengthen moderate leaders at the local, municipal, and Provincial level by providing assistance to help create jobs, deliver basic services, and build up local economies. The teams are helping Provincial governments spend their money more effectively. Across the country, these teams are helping to bring Iraqis together so that reconciliation can happen from the ground up.

The leaders I met today updated me on important work they're doing and the progress they have made. For example, our PRT leaders in Baghdad report they have now mentored district councils and public work departments in several neighborhoods, provided funding for generation—generators to help build up local markets, and support a microgrant program to help small businesses reopen across their district in the city.

Our PRT leaders in Kirkuk report that they helped broker a settlement that brought Sunnis back into the Provincial Council after a year-long boycott. They also helped the Provincial government successfully execute the budget, assisted local enterprises with small business loans, and helped establish a major crimes court in a Province—in the Province that is providing citizens with equal justice under the law.

Our PRT leaders in Najaf, which happens to be one of Shi'a Islam's holiest cities, report that they're working with Iraqis to build a modern airport that will allow Shi'a Muslims from around the world to travel to the city on pilgrimage. These PRT leaders briefed us on the changes they're seeing on the ground in Iraq. Because they live and work among the Iraqi people, they see the progress that is taking firsthand.

And here's what they tell me: Violence across the country continues to decrease. Tens of thousands of Iraqis have stepped forward to join Concerned Local Citizens groups that are fighting Al Qaida and other extremists. And as the security improves, life is returning to normal in communities across Iraq, with children back in school and shops reopening and markets bustling with commerce.

Improvements on the ground in Iraq are allowing some U.S. forces to return home. That's what we're—the strategy is called return on success. It has now begun. I don't think most Americans know this, but one Army brigade and one Marine expeditionary unit have come home and will not be replaced. And in the coming months, four additional brigades and two Marine battalions will follow suit.

As we withdraw these forces, we will continue to pursue Al Qaida and other extremists in Iraq. Our enemies in Iraq have suffered blows in recent months, but they're still dangerous. They're not yet defeated. As we saw yesterday, when terrorists killed the leader of a Concerned Local Citizens group, the enemy remains capable of horrific violence. We're not going to allow these terrorists to find respite anywhere in Iraq, and we're not going to allow them to regain the strongholds that they've lost.

The PRT leaders have gotten to know the Iraqi people. They understand the vast majority of Iraqis want to live in freedom and peace; that's what they know. You know why? Because the citizens tell them just that. They're helping give ordinary Iraqis confidence by rejecting the extrem-

ists and reconciling with one another so they can claim their place in a free Iraq and build a better life for their families.

The men and women of our PRTs are serving on the frontlines in the war on terror. These are courageous souls. They could be doing a lot of other things, but they chose to go to the frontline where they can make a difference in world peace. And I can't thank you enough for the vital work you've done and for helping 2007, particularly the end of 2007, become incredibly successful beyond anybody's expectations. And we believe 2008, you're going to see continued progress.

These people are helping improve the lives of citizens they've never met before, and in so doing, they're making this country more secure, and they're helping lay down a foundation for peace. And I want to thank them from the bottom of my heart, and I thank your families, as well, for the sacrifices they have made. We are so honored to have such courageous citizens such as yourself. And now I'll answer a couple of questions.

Knoller [Mark Knoller, CBS Radio].

Iran

Q. Mr. President, what do you make of the incident in the Strait of Hormuz with Iran on Sunday? Do you think they were trying to provoke a fight with the U.S.?

The President. Well, Mark, we viewed it as a provocative act. It is a dangerous situation, and they should not have done it, pure and simple.

Q. What do you think they were up to?

The President. I don't know what I think—what their thinking was, but I'm telling you what I think it was. I think it was a provocative act.

Q. What will your message be to the 5th Fleet then when you're there in Bahrain?

The President. My message is, thanks for serving the United States of America; we're proud of you. And my message today to

the Iranians is, they shouldn't have done what they did.

Roger [Roger Runnigen, Bloomberg News].

National Economy/Housing Market

Q. Yes, Mr. President. The index of people buying used homes fell more than expected in a report that came out today. And Secretary Paulson says that the housing really has not yet reached bottom. Does that nudge you further towards some sort of economic stimulus package?

The President. Well, you know, I'm optimistic about the economy. I'm optimistic because I've seen this economy go through periods of uncertainty. I mean, in the 7 years that I've been the President, we've had a recession, corporate scandals, the 9/11 attack, major national disasters, two wars in Afghanistan and Iraq. All that created was uncertainty, each one of those incidences, and we've been able to come through it because we've been resilient.

And as I said yesterday and a couple of days earlier than that, I am—I like the fundamentals; they look strong, but there are new signals that should cause concern. And one of the signals is the fact that the housing market is soft, and it's going to take a while to work through the downturn. The number you just reflected is an indication of softness.

And so what can you do about it? Well, one thing we can do about it is to help people who are creditworthy stay in their homes. And that's why Secretary Paulson and Secretary Jackson have put together what's called a HOPE NOW project, all aiming to get lenders and borrowers and investors and counselors together to help people find out how to renegotiate a loan and then get it done.

As I told the people yesterday in Chicago, in the old days, you'd walk in and borrow your—borrow the money to buy a home, and then if you got in a bind, you'd go back to the loan officer. Well, what happens in these days is, you'll borrow the

money, and all of a sudden, that loan is sold somewhere else, and you're not sure who to negotiate with. And so it's a much more complex world for many homeowners, and we're helping them, as best as we possibly can, find out how to renegotiate the home so they can stay in.

Secondly, the Congress needs to pass the Federal Housing Administration reform act so that we can get more people better refinancing to stay in their home. There's some practical things that can be done. And so I'm—we're watching very carefully, and we're listening to different ideas about what may or may not need to happen. And it's—we'll work through this. We'll work through this period of time. And the entrepreneurial spirit is strong. And any rate—yes.

Taxes

Q. Thoughts about a tax cut?

The President. Pardon me?

Q. Thoughts about a tax cut?

The President. Well, I can tell you something about taxes. Congress doesn't need to raise taxes, for starters. I know a bunch of them up there would like to. They'd like to get a little more money out of the people's pocket. But in times of uncertainty, you don't need to be raising taxes.

Secondly, in times of uncertainty, it seems like Congress ought to be sending a message that we're not going to raise your taxes in the next 3 years by making the tax cuts permanent. And beyond that, we'll look at all different options.

Listen, thank you. I'm looking forward to going on the trip. I hope people are coming. Does any of you get to come with me? That's too bad. [Laughter]

Well, here's what we're going to do. We're going to go over and stress three themes. First theme is, is that it's important to lay out a vision in order for there to be a Palestinian state once roadmap obligations are met. What has to happen in order for there to be a peaceful settlement of a longstanding dispute is there to be a outlines of a state clearly defined so that at

some point in time, the Palestinians who agree that Israel ought to be—exist and agree that a state ought to live side by side with Israel in peace have something to be for. They need to have a vision that's clearly defined that competes with the terrorists and the killers who murder the innocent people to stop the advance of democracy.

Secondly, I intend to work with our Arab friends and allies on this very issue, and remind them about, one, the strategy; and two, the obligations they have to help this vision become a reality; and thirdly, remind our friends and allies that the United States is committed to security in the region.

One of the problems we have is that the intelligence report on Iran sent a mixed signal. And I'm going to remind them what I said in that press conference when I sat there and answered some of your questions: Iran was a threat, Iran is a threat, and Iran will continue to be a threat if they are allowed to learn how to enrich uranium.

And so I'm looking forward to making it clear that the United States of America sees clearly the threats of this world, and we intend to work with our friends and allies to make the—that part of the world more secure.

Thank you all very much. See you when I get back.

NOTE: The President spoke at 2:12 p.m. in the Rose Garden at the White House. In his remarks, he referred to Gen. David H. Petraeus, USA, commanding general, Multi-National Force—Iraq; Prime Minister Nuri al-Maliki of Iraq; Kristin Hagerstrom, team leader, Ramadi Embedded Provincial Reconstruction Team; John Jones, team leader, Diyala Provincial Reconstruction Team; John Smith, team leader, Embedded Provincial Reconstruction Team, Baghdad 7; and Riyadh Samarrai, leader of the Adhamiya Awakening group, who was killed by a suicide bomber in Baghdad on January 8.

Statement on Peace Efforts in Sudan *January 8, 2008*

Tomorrow marks the third anniversary of the signing of the comprehensive peace agreement in Sudan, which ended 21 years of civil war in that country. I am proud of the role the United States played in achieving that historic result. I remain committed to assisting both sides with the rigorous and complete implementation of all aspects of the agreement. While much progress has been made in forming a Government of National Unity, sharing wealth, and respecting a cessation of hostilities, many challenges remain to the agreement's full implementation. Every effort should be made to ensure that a nationwide census is immediately conducted to allow national elections to be held on time next year. The work of Sudan's border commission also

must be reinvigorated, along with efforts to redeploy troops away from disputed border areas to reduce the chances of a return to violence. The comprehensive peace agreement laid the groundwork for lasting peace and unity for all of Sudan, and its vigorous application will continue to underpin U.S. involvement across Sudan.

I have asked my new Special Envoy for Sudan, Ambassador Richard Williamson, to continue the United States strong involvement on north-south issues to help find solutions to these challenges. Ambassador Williamson is also charged with advancing efforts to end the violence in Darfur. I am deeply troubled that innocent civilians continue to fall victim to the scourge of Government and rebel-led attacks in